

Appendix 4 – Agreement in Principle (Dec 9/03)

CFCI/RSP AGREEMENT PROPOSED SOLUTION

December 9, 2003

AGREEMENT

1. This document represents an agreement between CFCI companies and RSP ENGOs.
2. This agreement is based on the entire package of recommendations – parties should not be taken to agree with individual components on a stand-alone basis.
3. CFCI and RSP agree to recommend the following package as a solution by to the Central Coast Table.

FIRST NATIONS

4. CFCI and RSP acknowledge that recommendations from the CCLRMP are subject to government-to-government negotiations.
5. CFCI and RSP acknowledge that final land use decisions will be the product of government-to-government negotiations between the province and each of the coastal First Nations.

PROTECTION AREAS

6. For those areas identified as Protection Areas on the map attached as Schedule “A”, and as further described in the Protection Area Summary Matrix attached as Schedule “B”, CFCI and RSP recommend that they receive protection status:
 - a) This recommendation incorporates the map notations described in the Protection Area Summary Matrix;
 - b) Within the limited purview of this agreement, subject only to aboriginal rights and title, protection status precludes forestry operations from conducted in these areas. The full definition of protection is a matter for table discussion and government to government negotiation.
7. For those areas identified as First Nation Lead Areas on the map attached as Appendix “A”, and as further described in the Protection Area Summary Matrix attached as Appendix “B”, CFCI and RSP recommend that the determination of whether these areas receive protection status or be available for resource development activity should be made by First Nations through government to government negotiations.

EBM FRAMEWORK

8. CFCI and RSP agree with the EBM Framework and recommend that it be adopted.

EBM HANDBOOK

9. CFCI and RSP acknowledge that the Handbook and HPG will be complete once peer review is finished.
10. CFCI and RSP agree that, when finished, the handbook is intended to evolve/change over time based on information arising through adaptive management (both passive and active)¹.
11. CFCI and RSP agree that in completing the handbook, the handbook team should ensure that all key components of the HPG should be incorporated into the handbook.
12. CFCI and RSP agree that any amendments to the handbook as a result of information arising through adaptive management are to be made on the basis of government-to-government decisions informed by recommendations from the EBM Council².
13. Subject to the understandings, acknowledgements, confirmations, and other agreements contained herein, CFCI and RSP agree the EBM Handbook, which includes key elements of the HPG³, be adopted in its entirety for implementation as described below.
14. CFCI and RSP agree that “adoption of the handbook” means the following:
 - a) The handbook will be used to guide the development of EBM plans, FDPs and FSPs in the region;
 - b) Certain elements of the handbook will be established as legal objectives by the provincial government based on recommendation from the EBM Council – other than such legal objectives the Handbook is intended to be a guide and not prescriptive;
 - c) EBM as described in the handbook will be implemented under the guidance of the EBM Council;
 - d) The Handbook will be used to inform planners and decision makers on the key concepts and basic components and planning and management strategies required for the development of EBM plans;
 - e) Acknowledgement and support of the consensus agreements provided by the table regarding the Handbook

¹ It is understood that information other than CIT products can be considered/incorporated through adaptive management (both passive and active). It is also understood that the handbook may be further developed to more fully apply to the activities of sectors other than forestry.

² Wherever a reference is made to decisions or recommendations from the EBM Council, these are understood to be based on recommendations from by the Adaptive Management Body where appropriate.

³ The Hydoriparian Planning Guide is adopted as general guidance.

THRESHOLDS AND MANAGEMENT TARGETS

15. CFCI and RSP agree that peer review of the Scientific Basis of Ecosystem Based Management, the document that supports the ecological thresholds (i.e. the compendium), is not yet complete.
16. CFCI and RSP agree that, upon completion of this peer review, the various thresholds and management targets in the Handbook represent an ecological precautionary interpretation of the best independent information currently available regarding levels of risk associated with different indicators relative to different levels of forest development.
17. CFCI and RSP agree that thresholds and management targets in the Handbook are intended to evolve/change over time based on information arising through adaptive management (both passive and active).
18. CFCI and RSP agree that any amendments to thresholds and management targets in the Handbook based on information arising through adaptive management are to be made on the basis of government-to-government decisions informed by recommendations from the EBM Council (as per Schedule "C").
19. CFCI and RSP agree to adopt the thresholds and management targets (as may be changed over time through the refinement process referred to below or through adaptive management) as the long term ecological goals that will guide planning.

THRESHOLD REFINEMENT

CFCI and RSP agree that a more refined approach to establishing representational thresholds at the sub-regional/territorial level needs to be developed based on (i) grouping ecosystems according to specified ecological criteria (e.g. the habitat value of individual ecosystems, connectivity value of the ecosystems, sensitivity of ecosystem function to reductions in old seral stage conditions, the portion of ecosystem reserved in protected areas, relative frequency/rarity of ecosystems, and the potential ecological impacts of excess levels of mid and early seral habitats) (ii) developing group specific risk curves and thresholds (iii) establishing a range of precautionary targets for each ecosystem grouping based on the ecological criteria as well as the estimated reliability of data (where surrogates are used) and (iv) specifying spatial deployment strategies.

20. CFCI and RSP agree that this more refined approach to developing representational thresholds and precautionary targets be developed as follows:
 - a) Work on this is to be commenced immediately under the auspices of CFCI/RSP and/or a committee consisting of the same parties as the CIT management committee⁴ with seed funding to be provided by parties participating on this committee;
 - b) Once the EBM Council is established, this work, if not complete, is to take place under the direction/management of the EBM Council;
 - c) This work is to be undertaken by the Handbook Team augmented by a limited number of additional experts; and
 - d) CFCI and RSP will provide constructive and collaborative input into this process.

⁴ CFCI and RSP are open to either approach – the issue is what works best for government and First Nations.

OPERATIONAL TARGETS

21. CFCI and RSP agree that the goal of EBM is to concurrently achieve high degrees of ecological integrity and high degrees of human well-being.
22. CFCI and RSP agree that some of the thresholds and management targets can be immediately achieved with limited/no adverse impact on human well being.
23. CFCI and RSP similarly agree that there are circumstances where achieving a particular human well being requirement would result in an unacceptable level of risk/impact to ecological integrity.
24. CFCI and RSP also agree that there may be some thresholds and management targets that cannot be achieved in the short, medium and/or long term without an unacceptable level of risk/impact to human well being. In these circumstances, a transition period may be appropriate to achieve human well-being.
25. CFCI and RSP agree that where a threshold or management target represents an unacceptable level of risk/impact on human well being, the mechanisms for addressing this are the troubleshooting provisions of the handbook and the Turning Point/KDC/MTTC Flexibility Principle as adopted by the CCLCRMP Completion Table.
26. Based on the foregoing, CFCI and RSP agree that operational targets shall be periodically established by forest operators as follows:
 - a) Any operational target that is consistent with thresholds or management targets in the EBMH, can be implemented without referral to the EBM Council
 - b) Wherever possible, operational targets need to be established in a manner that concurrently achieve low degrees of ecological risk and high degrees of human well being;
 - c) Where this is not possible immediately, the operational target needs to be established on the basis of a social choice⁵ that is (i) informed by the thresholds and management targets (ii) informed by the impact on human well being (iii) guided by the trouble shooting provisions of the Handbook (iv) guided by the Turning Point/KDC/MTTC Flexibility Principle as adopted by the Central Coast LRMP Completion Table and (v) informed by the ecological risk;
 - d) Operational targets that differ from thresholds or management targets in the EBMH are to be referred to the EBM Council (or such other body delegated this responsibility through government to government discussions) for approval based on the foregoing criteria;
 - e) Operational targets that differ from thresholds or management targets in the EBMH need to be periodically reviewed by the EBM Council based on (i) information arising through adaptive management (both passive and active) and (ii) advice from the Adaptive Management Body where appropriate.
27. CFCI and RSP recognize that the EBMH handbook trouble-shooting provisions are intended to address the needs of vulnerable human systems that cannot be addressed without a trade-off and that in many situations business interests will have an important part to play in improving human well being.

⁵ A social choice is understood to be a choice/decision that is informed by a transparent consideration of both ecological risk and risk to human well being.

EBM IMPLEMENTATION AND OPERATIONAL TRANSITION⁶

28. CFCI and RSP agree that the following transitional management targets should apply for one year while the EBM Council is established:

- a) **Representation** - Classify the site series surrogates into five groupings (rare, uncommon, modal, common, and very common) and establish a minimum representation target at the landscape level of:
- i) 70 % of the natural occurrence of old seral for any site series surrogate that falls within the modal, uncommon or rare grouping; and,
 - ii) 30% of the natural occurrence of old seral for any site series surrogate that falls within the common or very common grouping.
- b) This approach to representation involves establishing approximately 35,000 Ha of reserves in these site series groupings to achieve what is outlined in the following table:

Current representation

Group	<30% RONV	30% to 70% RONV	>70% RONV	Total Forest
very common	176289	491511	1005617	1673417
common	58209	16643	49447	124298
modal	15636	10983	7932	34551
uncommon	4656	1540	2408	8603
rare	617	427	256	1300
Grand Total	255407	521103	1065659	1842169
	14%	28%	58%	

Representation after

Group	<30% RONV	30% to 70% RONV	>70% RONV	Total Forest
very common		665367	1008049	1673416
common		75656	48641	124298
modal			34551	34551
uncommon			8603	8603
rare			1300	1300
Grand Total		741023	1101144	1842168
	0%	40%	60%	

⁶ The parties will recommend that the current table decisions on implementation, transition, adaptive management and the EBM Council be amended to make them consistent with the document attached as Schedule "C".

- c) As landscape level planning proceeds reserves required to achieve these representation targets will be deployed in a manner that enhances conservation of ecological values including but not limited to:
- i) Representation of ecosystems that are rare in the landscape
 - ii) High value wildlife habitat including wildlife trees
 - iii) High value fish habitat
 - iv) Riparian ecosystems
 - v) Karst features
 - vi) Connectivity for focal, blue and red wildlife species
 - vii) Unstable slopes
 - viii) OGMAs
 - ix) and other ecological values
- d) In some cases achieving these representation targets will require recruitment of young forest where old does not exist. These recruitment areas will be identified in reserves in keeping with the spatial deployment criteria outlined above.

ECA – (No consensus achieved)

Red-listed - Reserve 100% of CDC red listed. Variance from this target to be guided by the EBM Handbook trouble shooting criteria to be approved by the Statutory Decision Maker.

Blue listed - (No consensus achieved)

Stand Level Retention – 15% minimum retention within cutblocks.

Mid-seral cap at the landscape and watershed scale - Maintain <50% of each ecosystem type in mid seral. In developed landscapes and watersheds with >50% mid seral in the harvesting landbase, harvest or reserve managed stands to prevent excessive mid seral representation.

Estuaries(watershed scale) - Maintain >90% of the natural riparian forest on estuaries.

Swamps and Gullies - Maintain >50% of the natural riparian forest next to fans, forested swamps and small steep streams/gullies with unique microclimate.

High Value Fish Habitat - Reserve all wetlands, active floodplains, active fluvial units and high value fish habitat including buffer⁷. Definition of HVFH is clarified by the following examples:

- e) Where fish congregate e.g. where clear water streams enter murky rivers and holding pools;
 - f) Critical spawning habitat: e.g. larger spawning beds and spawning beds that support threatened or endangered runs;
 - g) Critical rearing: e.g. small streams that do not freeze over and side channels used for rearing
- (a) This definition does not necessarily include all fish habitat.

⁷ Hydroriparian buffers are equal to 1.5 times the height of the dominant trees.

(b) (Note: access provisions for crossings as per FPC riparian reserves)

29. These management targets will be implemented on a voluntary basis by the CFCI companies starting March 31st.
30. CFCI and RSP agree to revisit these management targets within 1 year if the EBM Council has not revised them.
31. CFCI and RSP agree to work towards developing an EBM Handbook transitional strategy by March 31st 2004 including:
 - a) Refining the sub regional/territorial representation thresholds as per sections 20 and 21;
 - b) Developing an operational implementation strategy as per Schedule "C";
 - c) Clarifying the EBM Handbook troubleshooting process.
32. CFCI and RSP agree that EBM implementation and transition considerations should be addressed in the manner outlined in Schedule "C".
33. CFCI and RSP agree that the EBM Council should be structured and governed in the manner described outlined in Schedule "D".

Schedule “C” AIP

EBM Implementation and Transition Considerations

1. Introduction

Ecosystem based management contemplates significant change to planning and practices associated with forest development. It relies on a high degree of cooperation among managers and proponents, ongoing learning and the methodical application of knowledge, data and science. In essence, EBM is a process that is implemented in stages as capacity and knowledge increases. The intent of EBM is to achieve healthy, fully functioning ecosystems and human communities.

2. Operational Transition

Operational transition to EBM is part of the broader implementation strategy. The focus is making the transition from the current planning regime to EBM planning.

Fundamental principles of operational transition include:

- Maximize conservation of the most sensitive ecological elements as soon as possible while simultaneously minimizing costs and disruptions to existing planning;
- Grandfather existing CPs and FDPs with incorporation of agreed key EBM elements in effect at the time of operations as per the phase in schedule developed as a result of the January workshop;
- As a priority establish milestones starting with immediately visible actions that demonstrate commitment to implementation;
- Establish future benchmarks as reference points to monitor progress;
- Operational transition will be phased in over 5 years;
- Establish operational pilots in every tenure to facilitate training in the field and further develop EBM application methods;
- Use the ecosystem spatial analysis to prioritize watersheds/landscapes for EBM planning;

A detailed EBM implementation strategy based on these principles, addressing the content of Schedule “D”, will be developed in a collaborative EMB Implementation Workshop in January of 2004.

3. Data Requirements

The implementation of EBM relies heavily on the availability of data. It is generally agreed that data gaps exist, including data relating to ecological, social, economic and cultural factors. The strategy and timing of outstanding data development and analysis need to be addressed in the EBM Implementation Workshop. Obvious steps in data development include:

- Identify data gaps (e.g., TEM, socioeconomic) and analytical requirements;
- Develop and initiate workplan, budget acquisition and timeline to close data gaps;
- Prioritize which data gaps get attention and action.

4. Capacity Building and Training

Given the change from current planning and practice contemplated by EBM, capacity building is a priority for implementation.

General proposals that require further development:

- Beginning immediately, develop and implement an EBM training program for managers, planners and workers (including field training sessions, video training, computer based training model with self test, posters, etc.);
- Link training program to operational pilots (landscape/watershed) as a modular means of implementing operational components of the EBM Handbook.

5. Workforce adjustment

The principles and goals of EBM require equity. Where the implementation of EBM leads to a reduction in the numbers of people employed in forestry, logging and silviculture, a mechanism is required to ensure workers are treated equitably. This is primarily the responsibility of government and licensees and institutional mechanisms like the *Coast Sustainability Trust*.

6. Costs Associated with implementing EBM

Implementing EBM has cost implications for government and the private sector. The failure to quantify and understand cost implications in a precise and transparent fashion could prove to be a significant impediment to implementing EBM. Implementing EBM successfully requires that enterprises that practice EBM realize a profit if they are to be successful, and that institutions (e.g., government) supporting implementation of EBM enjoy a measure of fiscal accountability. Among other things, the implementation process needs to address:

- Government revenue;
- Amortizing infrastructure (e.g., roads, bridges, logging camps);
- Existing deployment of capital (e.g., machinery, camps, infrastructure, human resources);
- Opportunity costs;
- Stumpage allowance.

7. Investment

The implementation of EBM contemplates new investment to achieve the desired equilibrium between conservation and development. Recognizing that investment seeks a return, the opportunities for new and innovate investment need to be actively explored. To date, exploration of the potential of new investment to carry the cost of implementing EBM has been explored on a limited basis.

The implementation process needs to establish criteria for EBM investment and pursue sources including:

- CIII
- Forest Industry
- Socially responsible investment
- Governments and First Nations

Criteria include:

- Risk abatement
- Marketing
- Potential for return on investment

Recent proposals from the Forest Sector for Investment include:

- developing an international reputation for environmental leadership
- doubling the amount of volume going into value-added processing in BC over the next ten years
- branding coastal forest products
- a range of improved forest practices including eco-system based management
- practicing innovative eco-sensitive forestry

ECOLOGICAL ELEMENTS

The following ecological elements are targets and thresholds from the EBM Handbook. The Workshop referred to in 2 above will review these elements and set milestones for EBM operational transition.

At all scales, reserve:

- Red-listed and rare ecosystems;
- Riparian areas adjacent to high value fish habitat

Stand level targets:

- min. 15% stand-level retention
- limits on detrimental soil disturbance and permanent access

Watershed level targets:

➤ **Riparian reserves:**

- Karst and estuaries, floodplains, fans, forested swamps, steep streams with unique microclimates, active floodplains, active fluvial units
- other hydro-riparian areas
- stream buffers in transport and deposition zones

➤ **Other watershed reserves/requirements:**

- Min. old rep. at watershed, avg. to landscape target
- Blue-listed ecosystems
- Areas with Class V slope stability
- Reserve design to protect critical habitat, maintain connectivity, protect ecosystems rare at landscape level
- Reduce excessive mid-seral representation

Landscape level targets:

- Min. old rep. at landscape, avg. to sub-regional target
- Reduce excessive mid-seral representation
- Blue-listed ecosystems
- Reserve design to protect critical habitat, maintain connectivity for red/blue listed and focal wildlife species, protect ecosystems rare at landscape level

TERRITORY/ SUB REGION TARGETS:

➤ **Riparian targets:**

- Karst and estuaries, floodplains, fans, forested swamps, and steep streams/gullies with unique microclimates
- Other hydroriparian ecosystems

➤ **Other territory/ sub region targets:**

- Natural old by ecosystem type
- Low risk targets to watersheds Class IV/V terrain

Schedule “D”

Institutional Arrangements for the EBM Council and the EBM Science Team

Mandate

The EBM Council is the steward of EBM as it is applied in the Central Coast, North Coast and Haida Gwaii/QCI region of the coast of BC. The EBM Council oversees the ongoing development and implementation of EBM in a transparent and accountable manner.

The EBM Science Team is a technically oriented body required to develop, collect and synthesize scientifically and technically rigorous information regarding EBM implementation and adaptive management. It makes recommendations to inform the decisions of the EBM Council.

The decisions and recommendations of the EBM Council do not prejudice the rights, title or legal powers of the First Nations’ or provincial governments. The decisions of the EBM Council do not fetter the provincial or First Nations governments.

The EBM Council will recognize the autonomy of each First Nation.

The EBM Council will be set up under an agreement of the First Nations of the region and the province.

Recognizing that the intent is to establish the EBM Council and EBM Science Team as permanent bodies, secure funding for an initial period of 5 years is required to ensure effective EBM implementation. After 3 years, the EBM Council will be reviewed to identify means of enhancing its effectiveness.

EBM Council MEMBERSHIP

The EBM Council will be made up of 7 members:

- a. Three from First Nations, of whom one will be co-chair
One representing the province, who will also be co-chair
One representing a conservation perspective

One representing a business perspective
One representing a community perspective

Representatives on the council, other than those of the province and the First Nations, will be appointed from a list of nominees made on the basis of knowledge of and a commitment to EBM.

EBM COUNCIL Roles

The roles of the EBM Council are to:

- a) Establish an EBM Science Team that will inform the decision making of the Council.
- b) Make decisions regarding the refinement, implementation and practice of EBM to maintain ecological integrity and achieve high levels of human wellbeing.
- c) Receive and act upon recommendations and reports from the EBM Science Team.
- d) Assess trade-off proposals in accordance with the EBM Handbook (Section 7.5) and the “Flexibility Management Policy Related to Ecosystem -Based Management” Coastal First Nations – Turning Point Initiative and Kwakiutl District Council/Musgamagw Tsawataineuk Tribal Council / Tlowitsis Nation.
- e) Manage information, including warehousing of and access to databases, and gather and distribute new information on EBM.
- f) Set, based on the best available science, benchmarks and thresholds for human well-being and ecological integrity.
- g) Recommend to the governments management targets and operational targets.
- h) Ensure the effectiveness of monitoring and implementation programs.
- i) Establish priorities and requirements for adaptive management programs/initiatives and ensure their credibility/effective implementation.
- j) Maintain transparency through public reporting and other means with respect to:
 - o decisions of the Council;
 - o progress on EBM implementation and practice;
 - o recommendations of the EBM Science Team;
 - o improvements in knowledge; and,
 - o other relevant matters.

- k) Prepare annual reports on achievement of EBM goals

Procedures Including Decision Making and Dispute Resolution

Recognizing that EBM is a collaborative process the Council should strive for unanimity in decision-making. When unanimity is not possible, decisions of the Council will require unanimity less one vote.

In the event that one of the governments is in disagreement with a decision, they have the option of invoking a government-to-government dispute resolution procedure.

Council meetings are open to the public.

EBM Science Team

Membership

The EBM Science Team is an independent body of practitioners, scientists and other specialists appointed by and reporting to the EBM Council. The combined expertise of the EBM Science Team will address ecological integrity (e.g., forest ecology, terrain stability, hydrology, riparian ecosystems, conservation biology, traditional ecological knowledge), human well-being (e.g., socio-economics, sociology, anthropology) and the design and application of adaptive management programs.⁸

Mandate

The mandate of the EBM Science Team is to provide transparent, independent and rigorous scientific and technical recommendations and advice to guide the decision-making of the EBM Council. EBM Science Team products are available to interested parties.

Roles:

⁸ Its membership should be selected with consideration for the following criteria:

- a) Knowledge and experience relevant to the Coast;
- b) An academic degree; equivalent professional qualification; and/or demonstrated practical experience;
- c) Contribution to the published literature in their field of specialty and/or publication of competent technical reports based on field work and assessments;
- d) Recognition by their peers and/or community as an authority in their field.

The roles of the EBM Science Team include:

- Develop technical directives for adaptive management and recommend research priorities for adaptive management.
- Review and approve both Active and Passive Adaptive Management Plans.
- Assist in the development of best management practices and their assessment in ecological and economic criteria.
- Monitor key indicators of EBM performance.
- Gather new scientific information relevant to EBM.
- Improve understanding of the interaction between human and ecological wellbeing.
- Analyze and summarize results of adaptive management, monitoring, and new scientific information and develop reports and recommendations for consideration by the EBM Council.
- Provide analysis and advice to the EBM Council with respect to refinements to and elaborations of EBM.

Initial Focus of the EBM Science team

The initial focus of the EBM Science Team should be on:

- a) Refining the risk curves, thresholds and management targets in the EBM Handbook.
- b) Developing and refining benchmarks.
- c) Improving the scientific basis for the spatial distribution of retention and reserves.

Approach to Adaptive Management

Adaptive management, as overseen by the EBM Council and the EBM Science Team, is understood according to the parameters set out in this section.

Adaptive management, both passive and active:

- a) is guided by the technical direction on adaptive management as set out by the EBM Science Team;
- b) addresses the adaptive management criteria and research priorities of the EBM council, though individual operators may also define additional research priorities to be considered through adaptive management;
- c) requires long-term commitment and adequate resources.

Adaptive management plans and results are submitted to the EBM Council.

Passive Adaptive Management

Key features of Passive Adaptive Management include:

- a) It is based on explicit objectives;

- b) It incorporates a monitoring component;
- c) It monitors the results of alternative practices with regard to achieving specific outcomes and objectives.

Active Adaptive Management

Key features of Active Adaptive Management include:

- a) It is based on explicit hypotheses;
- b) It is designed as an experiment;
- c) The methodology is peer reviewed before implementation;
- d) It produces scientific results that are published;
- e) It typically undertaken in a collaborative manner with proponents, governments, other operators, interested parties, research institutions and universities.